



DEPARTMENT OF REVENUE

INDIANA GOVERNMENT CENTER NORTH
100 N. SENATE AVE

SEA 326 – Fact Sheet

Contact: Stephanie McFarland, APR
317.234.3793 (home)
317.696.3275 (mobile)

Senate Enrolled Act 362 – General

- SEA 362 goes into effect Jan. 1, 2007.
- Senator David Ford (R-Hartford City) authored the bill.
- Representative Eric Turner (R-Marion) sponsored the bill.
- SEA 362 was passed in the 2006 General Assembly.
- Governor Mitch Daniels signed the new bill into law on March 20, 2006.
- The Department of Revenue will administer this new tax law.

Renewal of the Registered Retail Merchant Certificate

- SEA 362 requires all businesses that collect Indiana sales and use tax to renew their registered retail merchant certificates (RRMC) biennially.
- Prior to SEA 362, businesses only had to apply for an RRMC once and it was good for the life of the business.
- Renewal of RRMCs for businesses will occur over a two-year period.
- Businesses that are current in filing and paying their Indiana sales and use tax will have their RRMCs renewed automatically and at no cost.
- However, businesses delinquent in filing and paying their sales and use tax, and who fail to pay it or to establish a legitimate payment plan with the Department of Revenue before the expiration date, will be denied renewal of their RRMCs.
- Business owners that continue to operate their businesses without a valid RRMC are subject to a Class B misdemeanor, punishable by imprisonment, fines or both.
- A delinquent business will need to pay all outstanding sales and use taxes and a \$25 renewal fee per business location to receive a renewed RRMC.

Protest of Tax Liabilities

- SEA 362 also reduces the amount of time individuals and businesses have to protest a tax assessment and file a suit in tax court.
- The time to protest a tax assessment has been reduced to 45 days (prior to SEA 362, taxpayers had 60 days).
- Time available to file a suit in tax court has been reduced to 60 days (prior to SEA 362, taxpayers had 180 days).

Additional Resources

- [LSA Document #06-510\(E\)](#) – provides a schedule of expiration for RRMCs
- [Commissioner's Directive #33](#) – outlines changes in the Collection Process and Tax Liabilities